

25X1		
Approved For Release 2005/08/02 : CIA-RDP86-00024R000300		
TRANSMITTAL SLIP		
DATE 4/20		
TO: [REDACTED]		
ROOM NO.	BUILDING	
REMARKS: <i>Per our conversation a paper intended to stimulate further discussion.</i>		
25X1		
FROM: [REDACTED]		
ROOM NO.	BUILDING	EXTENSION
Approved For Release 2005/08/02 : CIA-RDP86-00024R000300		
FORM NO. 241 1 FEB 55		
REPLACES FORM 36-8 WHICH MAY BE USED.		
(47)		

Agency Personnel Management Planning and Reporting

ILLEGIB

I. Elements:

A. The expressed interests of the DCI, DDCI, and Heads of Career Services on personnel matters provided the D/PPPM in an annual planning meeting.

B. Planning information concerning which a managerial decision must be made each year.

C. Information which may require exceptional decisions to be made to effect change and/or corrective action to meet pre-established personnel goals.

INTERVENTIONS  
NEEDS AND TIME.

TOO FOLLOWS ON  
GOAL!

II. Objective:

To provide valid, useful, and timely analysis of information to the DCI, DDCI, and Heads of Career Services to assist them in decision making as it relates to Agency personnel management programs.

Sample questions which managers might ask are:

ILLEGIB

- Is the Agency competitive in attracting the kind of employees needed?
- Are skills being lost through retirements, resignation, and reassignment being replaced?
- Are we maintaining an adequate pool of resources with language skills?
- Are the best people being given opportunity to compete for key Agency positions?
- Are we making sufficient progress in meeting EEO and affirmative action objectives?
- Is our selection process assuring the acquisition of the quality of employee desired?

TRAINING DESCRIPTIONS

ILLEGIB

III. Methodology:

Through effective monitoring of Agency personnel activity to:

- measure progress in meeting selected predetermined personnel management goals;

- determine whether existing policies or practices are achieving the desired results;
- assist in identifying action which might be necessary to achieve desired results;
- observe trends, and better anticipate the potential impact that management in action might have if data analysis reveals a finding indicating a direction at considerable variance from planned objective.

#### IV. Proposed Elements Planning:

##### A. Projected Separations and Net Losses Due to Conversions.

This data<sup>is</sup> based primarily on computer-assisted projections and will assure a reasonably valid targeting of promotion rates and hiring. These projections incorporate additional relevant personnel flow factors which are not immediately obvious such as age distributions, turnover in past years, etc. OK

##### B. Plan for Conversion From Clerical and Technical to Professional Level.

This plan is an expression of management intentions relevant to career development, upward mobility, and affirmative action efforts. OK

##### C. External Hiring Plans and Net Gains Due to Conversions.

This plan is derived from computer-assisted projections and arrives at a more valid statement that addresses the combined effect of both internal conversions and external hires. It also effects anticipated headroom for promotions and requires a managerial focus on both external and internal affirmative action plans. ?

##### D. Promotions

This plan element is derived by the Career Service from OPPPM computer-assisted projections. Again, promotion feasibility projections incorporate personnel flow data not immediately obvious to many managers. ?

##### E. Developmental Rotations.

Would summarize rotational plans relevant to the Senior Officer Development Program (SODP), and incorporate the specific definitions and grade categories stated in the program. This planning element would help ensure high visibility of each Career Service's responsibility for accepting officers on rotation who are being developed as part of the SODP. SKILLMAX

#### V. Proposed Reporting Elements:

- A. Annual report of the accomplishments of planning elements.
- B. Report as warranted on:

- \* 1. Separations
- \*\* 2. Accessions
- \* 3. Reassignments (career development)
- \*\* 4. Personal Rank Assignments
- \*\*\* 5. Average Salary
- 6. EEO
- 7. Language Skill Resources

\* Bring up the occupational flow model (at the occupational family level) to monitor this element.

\*\* Monitor PRAs using the two year limitation as being the norm.

\*\*\* (per Comptroller) monitor average salary (not average grade) - this is how payroll is budgeted and how OMB validates or adjusts Agency requests for personal service funds.

~~CONFIDENTIAL~~3/25/81  
DRAFT

## MANPOWER PLANNING IN THE AGENCY

Introduction

Manpower planning in the Federal Government is beset with frustration because the annual budget process and the exigencies of the moment are anathema to any effort to establish smooth flows of new entrants, stable promotion rates, and proper occupational structure. Yet the planning continues, new techniques of projection and analysis have been developed, and useful functions are served. The very complexities of compliance with EEO regulations and guidelines, the needs to assess the impact of proposed courses of action, the desire to have some defense against arbitrary budgetary action, and now the needs to increase the efficiency of the personnel process are generating heightened emphasis upon manpower planning. (U)

Definition

"Manpower planning is the process by which an organization insures that it has the right number of people, and the right kind of people, in the right places, at the right time, doing things for which they are economically most useful. It is therefore a two-phased process by which we anticipate the future through manpower projections and then develop and implement manpower action plans and programs to accommodate the implications of the projection."\* (U)

How it is Done in the Agency

The resource management responsibilities are vested in the Deputy Directors with an audit/evaluation function exercised at the senior management level (DCI, DDCI, DDA). A major instrument of manpower planning is the Annual Personnel Plan (APP) which is prepared by the Directorates and their Offices in a format established by OPPPM. These plans are assembled at the Directorate level and reviewed by OPPPM for submission to the DDCI. They present the promotion plans for the coming year

\*Patten, Thomas H., Jr., Manpower Planning and the Development of Resources, Wiley, 1971, p.14.

25X1

~~CONFIDENTIAL~~

CONFIDENTIAL

along with supporting forecasts of gains and losses. The APP represents bottom-up planning with modest adjustments by the Directorates and advisory input (such as feasible promotion levels, as determined by modeling) from OPPPM. It does not forecast changes in the occupational/skill mix, but another document, the Advance Staffing Plan, prepared by the Offices, does provide an occupational forecast of recruiting needs. (C)

OPPPM has a small manpower planning staff that uses modeling to prepare feasible promotion targets (advisory to the Directorates) and age-trend studies at the request of Directorates or Offices. It has provided advisory input to the evaluation of alternative strength levels and has provided impact analysis to policy papers.

Program and Budget submissions identify budget and manpower requirements for the appropriate decision units and resource levels, so manpower requirements are established by the budgetary process. This function is exercised through the Comptroller, not OPPPM. Nor does the latter office review the program materials that would provide guidelines to future changes in skill mix requirements. (C)

#### A Critical Need

With the Agency facing a requirement for expanded staff, it is more important than ever that the recruiting effort be sharply focused. Yet the current process for stating recruiting requirements from the components gives inflated numbers far in excess of historical need or projected attrition. In part this happens because the components can project vacancies, but not whether they will be filled internally (through vacancy notice or reassignment) or externally. One alternative would be for OPPPM to use its modeling capability, as applied to occupational flows, to prepare the recruiting requirement. But that would go far beyond the present modeling capability, both in terms of the number of occupational series involved (some 250) and the number of organizational entities. It also would go far beyond the program information available to OPPPM, which is in no position to second-guess

CONFIDENTIAL

the manager's tradeoffs with respect to occupational mix. At present we are moving toward using the modeling capability to establish gauges of the degree of hardness of the requirements sent by the components and we are taking steps to assure a closer correspondence between their position structure (and occupational codes) and their actual needs. (C)

Linkage with Strategic Planning

The Agency has made substantial progress in installing a mechanism for strategic planning but there is as yet no link to the manpower planning effort in OPPPM. Nor is there a link between that effort and the O/Comptroller that supports analysis of the impact of the future year programs on manpower plans. (C)

Directorate Skills for Manpower Planning

The Directorates have a responsibility for preparing analyses of proposed expansions or reductions on their manpower requirements. Until now, there have been few personnel officers with training in manpower statistics or analysis, but there is now a small and growing group of such officers. We should consider a conscious policy of assigning a trained officer to each Directorate. (U)

MANPOWER PLANNING IN THE AGENCYIntroduction

At a recent staff meeting, the Director expressed concern about the state of manpower planning in the Agency. In previous papers, staff officers of the Office of Personnel have expressed similar concerns. Perhaps the time is right to implement improvements.

Definition

"Manpower planning is the process by which an organization insures that it has the right number of people, and the right kind of people, in the right places, at the right time, doing things for which they are economically most useful. It is therefore a two-phased process by which we anticipate the future through manpower projections and then develop and implement manpower action plans and programs to accommodate the implications of the projection."\*

The Process in the Agency

Manpower planning in the Agency is an adjunct of a management system, now in some transition, in which the resource management responsibilities were vested in the Deputy Directors with an audit/evaluation function exercised at the senior management level (DCI, DDCI). The major instrument of this planning<sup>is</sup> the Annual Personnel Plan (APP), which until this year placed its major emphasis on recording performance under the previous year's plans and thus was largely an evaluation document. The 1979 APP is the first to publish

\*Patten, Thomas H., Jr., Manpower Planning and the Development of Resources, Wiley, 1971, p. 14.

CONFIDENTIAL



the planning section (Part I) in advance of the Plan Year, presenting the promotion plans for FY 1979 along with the supporting forecasts of gains and losses. The APP represents bottom-up planning with modest adjustments by the Directorates and some advisory input (such as on feasible promotion levels) from the Office of Personnel. It does not forecast changes in the occupational/skill mix, but another document, the Advance Staffing Plan, does provide an occupational forecast of recruiting needs.

The Personnel Development Plan (PDP) is an important implementing document identifying training and development needs for the current year and recording actions taken in the past year.

Program and Budget submissions, now conforming to the zero-base budgeting approach, identify budget and manpower requirements for the appropriate decision units and resource levels, so manpower requirements for the Program or Budget years, respectively, are established via the budgetary process. This function is exercised through the Comptroller, not the Office of Personnel.

#### Needs

1. Management involvement. The APP requires more management involvement in the preparation as well as the presentation of its data so that it becomes a more credible management planning document.
2. Time horizon. The Director has expressed concern about identifying sustainable rates of employee input and sustainable promotion flows beyond the one year time horizon of the APP. We currently have no longer range manpower plan. This is not unusual

among Federal agencies, however. The President's Reorganization Project last year noted a prevalent absence of long-term manpower planning and attributed this to the realities of Congressional action on annual budgets, to the disruption of long-term plans. Even so, it would be useful to establish more direct ties between five-year program planning (which is not taken very seriously), manpower projections, annual budgets, and the APP. From a personnel viewpoint, it would help to have advance information about potential expansions or contractions, potential changes in the requisite skill mix, and generally about factors that influence hiring and promotion patterns and levels.

3. Coordination with Agency-level strategic planning. A greater effort in long-term manpower planning cannot be effective without a corresponding effort in Agency-level strategic planning to provide guidance required by all resource planning. This does not assume a top-down type of planning effort but rather an establishment of management perspectives within which planning can take place. The essence of organizational strategic planning, as distinct from political or military planning, is "to use a multi-year time horizon to reassess current strategy by looking for opportunities and threats in the (organization) environment and by analyzing the (organization's) resources to identify its strengths and weaknesses."\* At present, the Agency has no staff unit formally designated to conduct such planning.

4. Organization for Manpower Planning. Because manpower planning is closely linked with substantive judgments and program decisions, the components and Directorates should play an active role. This would

\*Vancil, Richard F., and Lorange, Peter, in Harvard Business Review, January-February 1975, p. 81.

require more active participation by component level personnel officers. Each Directorate should have a qualified manpower planning officer to review component level plan, adjust them as necessary, and to monitor the APP and the PDP, including the promotion plans in the APP.

At the Agency level, there is need for a management decision unit concerned with strategic and resource planning and need for the necessary staff support. (The EAG has played a management advisory role but has not focused on longer-term strategic and resource planning in any formal sense.) The support unit for manpower planning could consist of a senior personnel manager (D/Pers or DD/Pers), a senior personnel planning officer (DD/Pers-P&C), and the manpower specialist of the Comptroller's office. The latter would provide an important link coordinating with budget and program planning.

5. Management Improvement Advisory Staff. A comprehensive strategic planning effort would look at the entire management system, including personnel management, to identify strong points and points needing improvement. In the past, efforts to use management staffs to effect involuntary improvement have often failed to secure the cooperation of the "clients". More recently, advisory management staffs, such as a current effort in HUD, has<sup>v2</sup><sub>A</sub> obtained more success in obtaining the cooperation of their clients.

6. Manpower planning skills. A strong effort to upgrade manpower planning would require more knowledge of the relevant planning concepts and techniques among the personnel officers in the components and the Directorates and within the senior staffs supporting Agency-level planning. We should make a conscious effort to develop skills in

planning, modeling, using the data base, dealing with decisions in the presence of uncertainty, and organizational development. We should also explore the experience of other agencies to learn from their successes or failures.

7. Inventories of skills/qualifications/targeting. The link between quantitative manpower planning and qualitative developmental plans is determining the changing requirement for skills beyond the present mix. In corporations, this drives an important element of human resource planning. In the Agency, this is an underdeveloped effort. To inventory qualifications, it is necessary to know for each employee: occupation, additional skills and qualifications possessed, if possible--the current level of skill or qualification (to sort out skills learned years ago and now forgotten). The qualifications record system of the Agency does not record in most cases, except for languages or certain certifiable skills, the current achievement level. The present record system also contains data gaps in those many instances where update information has not been submitted.

Recent inventories by the Comptroller and later by NFAC have demonstrated the potential usefulness of target and subdiscipline information. For example, is an "economist" studying the Soviet economy or international trade? Such information is divulged in the regular personnel data system only if an organizational designator is sufficiently and accurately descriptive.

Heightened interest in manpower planning might extend to qualifications and targeting planning, in which case an improved qualifications/

Recommendations (for discussion only, not approval at this time)

It is recommended that:

1. The DDCI direct a study of the possible desirability of a more formal approach to strategic organizational and resource planning in the Agency.
2. In the interim, a manpower planning committee of the EAG be appointed to consist of the D/Pers (who would attend EAG and Comptroller meetings), the DD/Pers/Plans and Control, and a manpower specialist designated by the Comptroller.
3. A manpower planning officer be designated to serve in the office of each Deputy Director.
4. OTR establish, assisted by Office of Personnel, a training program in manpower planning skills for Directorate and component level personnel officers.
5. D/Pers recommend steps to upgrade the data base on qualifications and, possibly, targeting, with requirement inputs from the Comptroller and Deputy Directors.
6. D/Pers discuss with the Comptroller measures to improve longer-term planning for resources, including manpower.

CONFIDENTIAL

## 62 Models of Manpower Planning

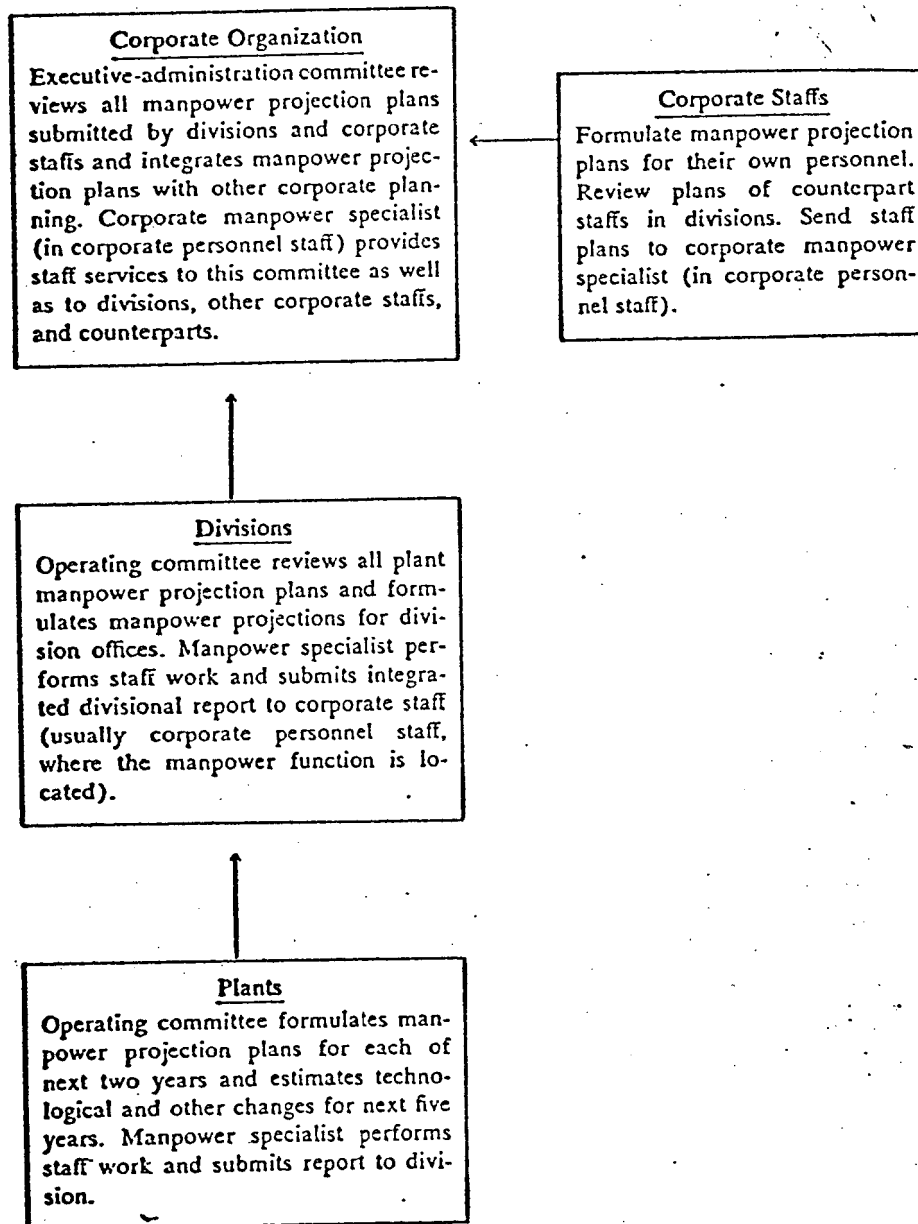


Figure 2 Flow chart of manpower planning system in a complex organization.

## PROCEDURE FOR PLANNING PROMOTIONS BY SUBCATEGORY

1. Estimate distribution of strength by grade at start of planning year.
2. Estimate losses by grade on basis of FY 1977 and FY 1978 experience. Assume no offering of discontinued service retirements and make necessary adjustments to loss estimates. Losses equal separations plus movement out of the subcategory into another.
3. Estimate gains by grade on basis of FY 1977 and FY 1978. Total should equal losses minus any strength reduction anticipated. Gains equal EODs plus movement into the subcategory from others.
4. Use current position structure as a control, especially the position average grade.
5. First run. Specify strength structure at beginning and end of year; losses, and gains. Derive promotions. This run will not change average grade.
6. Match these promotions against promotion rate working targets to see if there are serious mismatches. Compare with preceding years. If average grade does not press against position average grade, consider a more ambitious option that will increase average grade.

7. Second run. Use second variant of model, inputting starting strength, gains, losses, and modified promotion vector to derive yearend strength. Check out how much average grade increase.
8. Stop here if this structure of promotions could be maintained five years. If not, recompute.
9. This procedure is iterative and does not necessarily provide a maximum solution but it does provide a strawman in the form of a consistent and satisfactory solution. It can be used as an input for further planning by the Career Service. The final promotion plan is prepared by the Career Service as an input into the Annual Personnel Plan.



**DRAFT**

## AN AGENCY MANPOWER PLANNING SYSTEM

The current manpower planning system in the Agency is basically a report generating system. Currently reports are generated which show projected losses and replacement requirement, as well as the promotion <sup>plans</sup> for each directorate. These plans are <sup>then</sup> assembled at the Directorate level and then submitted to OPPPM for requirement review.

The problem is that none of the current reports incorporate a mechanism for making sure the requirements in them are realistic or current. There is no incentive on the manager's part to understate hiring requirements, or overstate promotion targets. In fact, experience has shown hiring requirements provided to OPPPM are 50% (much) greater than the actual number ever hired and this results in the very scarce recruiting resource going after non-existent requirements. It also impedes the flow of "real" requirement files through the system.

What is required is a system which provides information to the "decision points" (those individuals who determine manpower requirements, as well as those who allocate the resources for hiring manpower) and a feed-back system for keeping the information current and relevant. Such a system would have to take into account all the individual managerial decisions for manpower requirements and the long term goals of the Agency.

## Proposed System:

Office of Comp <sup>roller</sup> Rep <sup>resentation</sup>

One of the first steps required is a link between the budget process and long term planning. Currently manpower planning operates in a vacuum in regard to future Agency programs and their manpower implications.

If an OPPPM position was established in the Office of the Comptroller, this individual could provide "early warning" on future manpower requirements. This

individual could also support the O/C by providing assessments of the capabilities of the current Agency population to support future requirements.

#### Recruitment Representations

Part of the current criticism of recruitment is due to the perceived inability of recruitment to provide the desired personnel. This appears to be the result of several factors including: the excessively large recruiting requirements, the loss of focus between the <sup>in</sup>imitation of requirements and the actual recruiting process, and an inability to change priorities quickly.

Much of this could be overcome by providing a Directorate rep at the "front-end" of the recruiting process. This rep would have the up to date requirements for the Directorate and would be responsible for insuring that adequate resources are brought to bear in order to obtain those resources.

While the majority of the recruiting would still take place by Personnel recruiters, direct interaction with the directorate reps would be able to much more sharply focus their efforts.

#### Establish a Quarterly Manpower Planning Session

A quarterly meeting of the deputies or their resp to review manpower requirements. This meeting would allow an update of manpower requirements and a review of the status of hiring requirements.

#### Upgrade the Function of the Personnel Plans Staff:

The OPPPM/Plans Staff could be made the central point for coordinating manpower requirements and projected requirements. Working in conjunction with the O/C rep, Staff Personnel Division, and the Directorates it could provide a central point for the consolidation and dissimulation of manpower information.

#### Increase the Availability of Personnelists Trained in Manpower Skills:

Since the Directorates are responsible for preparing their manpower requirements, if the Office of Personnel could provide personnel officers who are skilled in manpower planning techniques, this would greatly facilitate this process. Also

if a linkage were provided back to the OP/PS this would greatly increase the available info.

## Personnel Planning

### I. Topic

To establish a personnel planning system that centers on problems and policies in the broadest terms. The objective is to identify real problems and then the policies and plans to deal with them.

### II. Concept

A. Personnel planning involves five distinct phases. These are:

- ° issue identification;
- ° policy, programs and plans to address;
- ° development of specific targets;
- ° measuring attainment success; and,
- ° review.

B. Issue identification is the determination of the basic personnel problems and policy questions that must be faced. This can be accomplished in the following manner.

1. The means of determining the issues can be developed from the following sources:

- ° Perceived needs and problems as identified by senior managers, employee groups, oversight committee questions, etc. These needs or problems can be analyzed by OP to determine validity for Agency-wide attention or if the impact is restricted to a smaller segment of the Agency and should be addressed by component managers only.

- ° Conclusions from OP program evaluations that assess Agency-wide programs identifying issues needing attention. Examples are the PAR survey which identifies the need for additional assessment training on the part

of supervisors and the Precepts examination which may conclude that ranking the low three percent of employees is no longer required.

- ° Data analysis by OP from the Personnel Data Base can provide indicators of issues needing attention. Such areas that can be monitored are occupation mix, personnel flow, performance appraisal ratings, the rate of special recognition afforded superior performers, etc.

- ° Analysis by OP<sup>of</sup> personnel needs derived from the Program Call can provide indicators of issues in the occupation mix and recruitment areas. OP can provide the basic information from which components can indicate their personnel needs on a three-year basis similar to the manner in which they indicate their financial needs. This will afford OP the opportunity to give more effort to recruitment planning.

- ° Questionnaires can be prepared by OP that sample the Agency population in order to ascertain what a selected group of employees believe are the major personnel issues facing the Agency. Care would have to be exerted in developing the questionnaire and in selecting the sample in order to avoid false conclusions or expectations.

- ° The OEE0-developed Affirmative Action Plan can be analyzed by OP to determine issues that require senior management attention.

2. The roles and responsibilities in issue identification would be as follows.

- ° Deputy Directors and other senior managers as issue identifiers to OP.

- ° OP as the administration point to receive issues, collect data from sources such as the Comptroller and the OEE0, perform data analysis and assess the issue prior to EXCOM meeting on the subject.

- ° Personnel Management Advisory Board (PMAB) as an advisory to the Director of Personnel on issues.

- ° EXCOM as an advisory body to the DDCI and to prioritize issues in order of importance and interest.

- ° DDCI as the approving official for issue studies.

C. Developing the policy, program or plan to address the issues can be accomplished by staff studies performed by OP. These studies would combine quantitative and qualitative analysis and would present options for consideration to address the issue. By following an action agenda discussed at EXCOM, OP would have a time frame within which to present the staff study. The roles and responsibilities in developing the policy, program or plan would be as follows.

- ° OP as the developer of the staff studies with input from other sources (such as OF, EXCOM Staff, etc.) as required.

- ° PMAB as an advisory body to the D/Pers on the staff papers prior to their being submitted for EXCOM/DDCI consideration.

- ° EXCOM as an advisory body to the DDCI on the viability of the staff study options or recommendations.

- ° The DDCI as the approving authority.

D. In those instances where the development of specific targets is indicated, these can be accomplished by OP's modeling and projection techniques. Some issues may not lend themselves to the development of specific targets but may be more appropriately monitored by such means as program evaluations, surveys or other assessment mechanisms. In all instances, specific follow-up actions would be proposed in the issue staff study. The roles and responsibilities in this phase would be between the D/Pers and the Deputy Directors and would be by agreement to the target or follow-up action proposed.

E. Measuring attainment success would be by an evaluation of the progress made in addressing the issue during an agreed time frame. Normally, the time for measuring should be no less than one year. For those areas where targets

have been established, OP can provide periodic statistical reporting on attainment level. Other mechanisms, such as questionnaires, personnel interviews or written surveys, will need to be developed. The analysis of why success was either achieved or not achieved will be of key importance. The roles and responsibilities in measuring attainment success would be as follows.

- ° OP would provide the tools for measuring success either through statistical reporting or through the conclusions of survey mechanisms.

- ° The Deputy Directors concerned would provide the analysis as to why success was either achieved or not achieved as they would be more familiar with the factors influencing success.

F. The review by the Deputy Directors and D/Pers would be in the form of recommendations regarding either continued detailed monitoring of the issue involved, changes to the policy, program or plan decided upon earlier so as to better guarantee success, or cease monitoring as the changes decided upon earlier resulted in successful attainment of the goal. The time frame for these recommendations would be 60 days following the measurement phase. The roles and responsibilities in this review phase would be as follows.

- ° OP and the Deputy Directors would provide the recommendations.

- ° EXCOM would advise the DDCI on the recommendations.

- ° The DDCI would approve the next course of action.

### III. Example

A. A perception from senior management is that the resignation rate for certain categories of employees has risen. OP from statistical analysis was able to indicate that the resignation rate of personnel in certain occupations has risen during the last two calendar years. EXCOM review of the issues resulted in the DDCI deciding that the resignation rate rise was significant enough to warrant investigation.

B. OP's staff study concluded from data analysis, exit interview report, job market surveys and research into methods of increasing retention rates that certain means were available to alleviate the problem. These means were discussed at both a meeting of the PMAB and the EXCOM. After consideration, the DDCI approved following two means with the goal <sup>in</sup>~~to~~ reducing the resignation rate during the next 12 months.

C. Modeling and projections indicate that a reasonable target would be to reduce resignation by five percent during the coming calendar year. Periodic reports were provided to component managers and the DDCI.

D. Statistical reporting at the end of one year indicate that the resignation rate reduced by nearly six percent. Component analysis indicated that both means contributed equally to the increased retention rate.

E. The review recommended that retention rates in these job categories no longer be monitored as closely as in the past year but that an annual statistical summary of retention rates be provided to component managers employing individuals in these jobs. Any deviations from the norm would indicate the need for additional study. The DDCI approved this recommendation.



HRPS TECHNICAL PAPERModeling in Support of Promotion PlanningIntroduction

There are two models, plus variants, now applied in promotion planning.

The first is useful to establish feasible promotion numbers and to explore the impact of different promotion targets. That is VS BASIC STAN (in the central system) or STAN (in the H-P mini). It requires entries for L1 (beginning level) by grade, L2 (ending level), L (losses), G (gains); it then computes the corresponding PO (promotions out) and PT (promotions to) for each grade. It also computes sums for L1, L2, PO, PT, L and G, and the average grade at L1 and L2. In the variant STAN 4, promotion numbers can be input and the L2 vector and average grade are computed.

The second model is the grade variant of LBASEQ (in the H-P mini) and BASEQN (in VS BASIC). In this, the number of grades is specified; a starter inventory by grade, beginning with 1, is specified (N vector); a transition matrix is prepared which specifies the decimal remaining in grade, the decimal being promoted to the next grade, and these are constrained by the stipulation that the stay behind rate and the promotion rate must equal 1 less the separation rate. A separate vector is specified for separation rates by grade and another for EODs (which are expressed not as rates but as decimal share of total EODs). This model is particularly useful for testing grade dynamics over time and helps to identify promotion rates set either too high or too low.

Procedure for planning promotion by subcategory (using STAN)

1. Specify L1. Use the "116" report or the CSGA (if available) for data on the number of positions and numbers on-duty, by grade, at the beginning of the plan period.

Adjusted beginning array. (L1). If the planning projection is prepared in June, let's say, the "beginning" distribution of strength for the Plan Year beginning next October must be estimated, with particular consideration of the remaining promotion schedule and the estimated impact of promotions to be made during July through September. The current year's plan can be used for this purpose, factoring out any promotions made in the first six-month cycle.

2. If information is available about changes anticipated in total strength or in strength distribution by grade, estimate the ending array. (L2). At the end of the plan year, the distribution by grade must reflect projected increases or decreases in strength and possible shifts of distribution within the limits of headroom.

- a. First approximation procedure. Use the "beginning" percentage distribution applied to the appropriate estimated total for the end of the period.

b. Modified approximation. Same as above, but add or subtract an assumed grade distribution for an expansion or reduction.

c. Target distribution. Specify a "desired", "improved", or "feasible" grade distribution for the end of the period. This should not exceed the control value of the position average grade.

3. Estimate numerical losses by grade (L) on the basis of previous recorded experience. The most recent year is the most appropriate, but data for 2 or more years will reveal unstable numbers and possible abnormalities. If the previous year reflects an unusual number of retirements because of discontinued service/involuntary retirements, these can be identified and backed out by reference to RAD's annual tabulation of retirements by name, type, and career subgroup.

In the past, for calculating "L" we used a simplified technique which focused on "separations" plus net change out of subcategory (conversions". This ignored some other flows that affect promotion headroom. Now I would recommend a more detailed computation. The basis for the procedure is the summary gain and loss sheet prepared from the "202" listing. In the improved procedure, take the total figure out for outflow (total Losses from grade excluding loss from promotion) and offset by Reassignments In, Gains to Ceiling, and Gains to Subcategory. The remainder represents that portion of outflow (Net Outflow) that provides headroom for EODs and promotions. If the remainder is negative, it should be carried so.

Losses, as calculated above, can be calculated with or without allowance for the impact of discontinued service retirements. At the current time, there is no basis to expect offerings of discontinued service retirements in the near future.

4. Estimate gains by grade (G). With the revised procedure for estimating net outflow, other gains and gains from conversion were already figured in as offsets. Accordingly, if this procedure is followed, only EOD's need to be figured as gains. In the base period, EOD's should be listed by grade, then calculated as decimal shares of the total number of EODs. The appropriate total of EODs to use in the model depends on the strength assumptions. If strength remains level, EODs should be made to equal net outflow. If the assumed relationships between L1, L2, L and G are inconsistent, the STAN printout will show asterisked numbers or promotion flows at the lower levels where there are no employees.

5. Position average grade as control. The "116" report or the CSGA will provide a position average grade that should be used as a control on the estimated ending array (L2). The STAN program computes average grades that can be compared against the control.

6. Using the computational model--STAN. If strength is not expected to change, specify L1=L2 for each grade, as a first approximation. Enter L and G; derive promotions. This run will not change average grade.

Match the derived promotions against promotion rate working targets or historical promotion numbers. If average grade does not press against position average grade, consider a more ambitious option that will increase average grade.

If total strength or distribution is expected to change, estimate L2 as described earlier.

THIS PROCEDURE MUST BE AMENDED FOR CLERICALS. EXCLUDE "GAINS TO CEILING FROM BUDGET" FROM THE OFFSET SO THAT "NET OUTFLOW" INCLUDES NEED FOR REPLACEMENTS VIA TRAF.

7. Using STAN 4 to test the effect of specified promotion numbers. With STAN 4, input L1, L, G, and a target promotion vector to test how much average grade changes in the L2 vector calculated by the program.

Stop here if the resultant promotion rates (numbers) conform to grade controls and behave properly in the planning horizon. (For example, the objective might be to calculate a set of promotion rates sustainable for 5 years; in such a case the average grade gap should close somewhat but not too much each year.)

This procedure, using the STAN's, is iterative and does not necessarily provide an optimal solution (as distinct from a satisfactory solution), but it does provide a "strawman" in the form of a consistent and satisfactory solution. It can be used as an input for further planning by the Officer or Career Service. The final promotion plan is prepared by the Career Service as an input into the Annual Personnel Plan.

8. A point to watch--simultaneous promotion and transfer of subcategory. In some instances employees are promoted and changed in subcategory. Thus, in O/Commo, GS-10 technicians are promoted to GS-11 professionals. A look at the historical figures shows high promotion levels out of GS-10 but few GS-11 positions in the subcategory. The loss data show a high net outflow of GS-11 technicians, reflecting conversion to professionals. The data on the professional side should show high subcategory change inputs of GS-11s. In this case, the promotions would show on the technician side and the professional inputs would show at the grade to which promoted. A similar case may occur with senior secretaries promoted and assigned as professionals. No adjustments need be made.

9. Using LBASEQ to test the dynamic effect of promotion rates. The results of using STAN or STAN 4 can be converted to promotion rates based on L1. The net outflows can be expressed as attrition rates (W vector) while the accessions are converted to decimal share of total (R vector). The corresponding entries are made into the LBASEQ matrix. A multi-year projection shows the conformity of the promotion rates to any constraints, such as average grade, while adjustments to the rates are easily entered into the matrix.

CONFIDENTIAL

DRAFT

## MANPOWER PLANNING IN THE AGENCY

### Introduction

Manpower planning in the Federal Government is beset with frustration because the annual budget process and the exigencies of the moment are anathema to any effort to establish smooth flows of new entrants, stable promotion rates, and proper occupational structure. Yet the planning continues, new techniques of projection and analysis have been developed, and useful functions are served. The very complexities of compliance with EEO regulations and guidelines, the needs to assess the impact of proposed courses of action, the desire to have some defense against arbitrary budgetary action, and now the needs to increase the efficiency of the personnel process are generating heightened emphasis upon manpower planning. (U)

### Definition

"Manpower planning is the process by which an organization insures that it has the right number of people, and the right kind of people, in the right places, at the right time, doing things for which they are economically most useful. It is therefore a two-phased process by which we anticipate the future through manpower projections and then develop and implement manpower action plans and programs to accommodate the implications of the projection."\* (U)

### How it is Done in the Agency

The resource management responsibilities are vested in the Deputy Directors with an audit/evaluation function exercised at the senior management level (DCI, DDCI, DDA). A major instrument of manpower planning is the Annual Personnel Plan (APP) which is prepared by the Directorates and their Offices in a format established by OPPPM. These plans are assembled at the Directorate level and reviewed by OPPPM for submission to the DDCI. They present the promotion plans for the coming year

\*Patten, Thomas H., Jr., Manpower Planning and the Development of Resources, Wiley, 1971, p.14.

25X1

CONFIDENTIAL

along with supporting forecasts of gains and losses. The APP represents bottom-up planning with modest adjustments by the Directorates and advisory input (such as feasible promotion levels, as determined by modeling) from OPPPM. It does not forecast changes in the occupational/skill mix, but another document, the Advance Staffing Plan, prepared by the Offices, does provide an occupational forecast of recruiting needs. (C)

OPPPM has a small manpower planning staff that used modeling to prepare feasible promotion targets (advisory to the Directorates) and age-trend studies at the request of Directorates or Offices. It has provided advisory input to the evaluation of alternative strength levels and has provided impact analysis to policy papers.

Program and Budget submissions identify budget and manpower requirements for the appropriate decision units and resource levels, so manpower requirements are established by the budgetary process. This function is exercised through the Comptroller, not OPPPM. Nor does the latter office review the program materials that would provide guidelines to future changes in skill mix requirements. (C)

#### A Critical Need

With the Agency facing a requirement for expanded staff, it is more important than ever that the recruiting effort be sharply focused. Yet the current process for stating recruiting requirements from the components gives inflated numbers far in excess of historical need or projected attrition. In part this happens because the components can project vacancies, but not whether they will be filled internally (through vacancy notice or reassignment) or externally. One alternative would be for OPPPM to use its modeling capability, as applied to occupational flows, to prepare the recruiting requirement. But that would go far beyond the present modeling capability, both in terms of the number of occupational series involved (some 250) and the number of organizational entities. It also would go far beyond the program information available to OPPPM, which is in no position to second-guess

CONFIDENTIAL

Approved For Release 2005/08/02 : CIA-RDP86-00024R000300070025-4

the manager's tradeoffs with respect to occupational mix. At present we are moving toward using the modeling capability to establish gauges of the degree of hardness of the requirements sent by the components and we are taking steps to assure a closer correspondence between their position structure (and occupational codes) and their actual needs. (C)

#### Linkage with Strategic Planning

The Agency has made substantial progress in installing a mechanism for strategic planning but there is as yet no link to the manpower planning effort in OPPPM. Nor is there a link between that effort and the O/Comptroller that supports analysis of the impact of the future year programs on manpower plans. (C)

#### Directorate Skills for Manpower Planning

The Directorates have a responsibility for preparing analyses of proposed expansions or reductions on their manpower requirements. Until now, there have been few personnel officers with training in manpower statistics or analysis, but there is now a small and growing group of such officers. We should consider a conscious policy of assigning a trained officer to each Directorate. (U)

Approved For Release 2005/08/02 : CIA-RDP86-00024R000300070025-4

CONFIDENTIAL

Human Resources

(HRMIS)

## PERSONNEL MANAGEMENT INFORMATION SYSTEM (PMIS)

## Background:

On aug 1 the Director of Personnel authorized a study of the development of a Personnel Management Information System. This study which is to be undertaken by HRPS in conjunction with [ ] will look at what elements should be included in such a system and what are the resource requirements for developing it.

STAT

The development time for the study has been established at three months and a report is expected to be developed by the end of october.

## System Goals:

the goal of the system is to provide management with timely indications of changes in personnel trends. The ultimate goal of the system will be to anticipate the development of problem areas before they become a problem. The ultimate goal will probably not be realized until the system has been in place for some time and a historical data base has been developed. This historical data base will allow comparisons to be made between the present period and past experience.

## System Elements:

An initial review of elements to be tracked by the system indicates the following elements should be included in the initial design:

Accessions

{ BY TYPE

Separations

{ BY TYPE

Retirements

Promotions

{ BY GRADE

Retirement Eligibles

PRA's

{ BY GRADE

Ceiling

{ BY grade by subcategory

These elements should also be available by the following categories:

Directorate / *Personnel Service*

Professional

Technical

Clerical

Minority Code

*Sex*

It is expected that this list of elements will expand based on new program or legal requirements. It is also expected that as experience is developed with the system, additional data elements will be added.

Proposed System:

In an initial conceptual form the system would consist of software to extract the necessary data from the PERSIGN system and place it in a RAMIS data base . Since the RAMIS data base can be used to retain historical data, additional software then can be used to contrast and compare the current data with the historical trend. <sup>INCLUDING CONFIDENCE LIMITS.</sup> Once the comparisons have been made the data of interest would then be displayed graphically through a plotter.

STAT  
STAT The responsibility for running the data extracts and maintaining the RAMIS data base would fall  Analysis of trends would be a joint  responsibility. The actual reporting and graphics workup would be done through HRPI to D/Pers.

Resources Required:

STAT  The resources required to development a Personnel Management Information System include the programming time to set up the RAMIS data base and its interface with PERSIGN. Since the expertise to accomplish this is available  a in-house programming effort can be accomplished much more quickly



than going through ODP. The actual estimate for the amount of programming required and the amount of support time required to maintain the system should be made by

STAT

The plotter interface is still being explored by HRPI and several options have been established: Since there is limited graphics capability in the RAMIS software it may be possible to use this approach. Also the headquarters system has a CALCOM plotter available with which it may be possible to interface. A third option is the use of the HP mini plot utilities. This would require the interfacing of the mini with the Headquarters system which may be possible through the terminal emulator package supplied by HP.

Followup Action:

- Get programming time estimates from  and any additional recommendations for data element requirements. Also any support requirements for system maintenance.
- Estimate storage requirements for data base and develop growth estimates. Provide these to OP/ADP control officer to obtain availability constraints.
- Explore graphics output options and prepare feasibility list.
- Prepare D/Pers report.

STAT

- Examine SAS capability for conf. units  
projections